GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:5146
ANSWERED ON:21.12.2000
SUBRAMANIAM COMMITTEE ON JUTE INDUSTRY
M.V.CHANDRASHEKHARA MURTHY

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government constituted a High Powered Committee on Jute Sector vide its Orders Dated June 30, 1992 under the Chairmanship of Shri T.S.R. Subramaniam, Secretary, Ministry of Textiles with 16 other members from the Government Departments including Chief Secretary, Government of West Bengal;

(b) if so, whether this Committee unanimously recommended at page No.28 of its report to Secret/rescind the Act altogether by1994-95 saying that Jute Industry can not be artificially propped up by this piece of legislation for an indefinite period in a liberalized economy when free market forces have come to operate; and

(c) if so, the action taken to scrap the Jute Packaging Material Act ?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI V. DHANANJAYA KUMAR)

(a) Yes, Sir.

(b) The High Powered Committee on Jute Sector in its report of November, 1992 stated that the jute industry cannot be artificially propped up by Mandatory Jute Packaging Orders issued under JPM Act, 1987 for an indefinite period in a liberalized economy when free market forces have come to operate. The said committee recommended that provisions of Mandatory Jute Packaging Order should be diluted gradually in two or three stages and by 1994-95 it should be rescinded altogether.

(c) The Supreme Court, upheld the provisions of the Act in its judgement dated 25th April, 1996. Provisions of Mandatory Jute Packaging Orders have been gradually diluted since its inception and are briefly given below :-

Period	Percentage of total production of commodity to be packed in jute packaging materials.			
	Foodgrain	Sugar	Cement	Fertilizer
01.07.1987 - 30.06.1988	100%	100%	70%	50% (5 types)
01.07.1988 - 14.03.1995	100%	100%	70%	100%(Urea only)
15.03.1995 - 30.06.1995	100%	100%	50%	65%(Urea only)
01.07.1995 - 30.06.1997	100%	100%	50%	50%(Urea only)
01.07.1997 - 14.12.1998	100%	100%	-	50%(Urea only)
15.12.1998 - 31.03.2000	100%	100%	-	20%(Urea only)
01.04.2000 - 24.10.2000	90%	90%	-	15%(Urea only)
25.10.2000 till date	100%	100%	-	20%(Urea only)